

Singapore developers check into Park Hyatt

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The Singapore Government has made its first move into the Melbourne property sector, buying the four-year-old Park Hyatt hotel for \$125 million, \$25 million less than its construction cost.

Developers Lustig & Moar Group built the hotel in 1999 at a cost of \$150 million

The 240-room hotel is located in the heart of the city's historic precinct near the State Parliament building, St Patrick's cathedral and the Old Treasury building.

GIC Real Estate, the real-estate investment arm of the Government of Singapore Investment Corporation, said the price was a "significant transaction" on the Australian property market this year.

The buy is the first in the Melbourne market and follows the acquisition of two five-star hotels in Sydney last year. GIC Real Estate has already bought the Westin and the Shangri-La — previously the ANA hotel.

It also owns Sydney's Queen Victoria Building, the Strand Arcade and an office tower.

"We are excited to enter the Melbourne market with such an exclusive asset," the president of GIC Real Estate, Dr Seek Ngee Huat, said in a statement.

He said the Park Hyatt was a logical move after buying the Sydney hotels.

"Although the real-estate cycle is still finding its bottom in Melbourne, we are confident that our arrangement with the Hyatt will see us through the bottom of the cycle. We have confidence in the Park Hyatt brand to realise the full potential of this property."

GIC Real Estate manages a multibillion-dollar portfolio of direct and indirect property investments worldwide.

Other investments include the Shiodome City Centre in Tokyo, the Hotel Intercontinental in Prague and the AT&T Corporate Centre in Chicago.



The 240-room Park Hyatt hotel.